

In times of economic duress, when the fund is paying out significantly more than is coming in, the Federal Government has the option of loaning money to States, including California, to cover the payment deficit.

California had to take out such a loan during the COVID business shutdowns and took on by far the most debt of any State. The current debt amounts to \$18.8 billion. This was because of the huge volume of claims, yes, but also because of a staggering amount of fraud.

A coalition letter from dozens of Chambers of Commerce in California notes:

The Employment Development Department proved ill-equipped for the rapid increase in claimants. After numerous oversight hearings and analyses of EDD's failings, it is clear that EDD's failings added further to the UI fund's insolvency in two ways: by failing to prevent fraud and, instead, distributing funds to fraudulent claimants; and by mistakenly distributing overpayments to legitimate claimants. Although EDD and local law enforcement have attempted to recover some of these mistaken distributions, recovery rates appear to be less than 10 percent of the mistaken distributions. In other words, these mistakes at EDD added to the UI fund deficit.

□ 1115

The total scale of EDD fraud in California is estimated at \$32.6 billion. This unprecedented loss was almost entirely preventable if Julie Su had taken basic fraud prevention measures.

A January 2021 report from the California State auditor notes that the EDD fraud occurred for three main reasons:

First, EDD waited about 4 months to automate a key antifraud measure.

Second, EDD allowed claimants to collect benefits even though they were using suspicious addresses. In one case, over 1,700 claims came from a single address.

Third, EDD removed a key safeguard against improper payments without fully understanding the significance of the safeguard.

Further, the State auditor reports that: "Despite repeated warnings, EDD did not bolster its fraud detection efforts until months into the pandemic."

"And it does not reliably track suspicious claims and resolution to determine the effectiveness of its fraud prevention tools."

By the way, if you are wondering where all this money, \$32.6 billion went, the CEO of LexisNexis Risk Solutions has this to say: "Seventy percent of that money left California. It left this country. It went to transnational criminal groups that have used that money for nefarious purposes to harm our democracy. Some of that money has been used in sex trafficking, child extortion."

At this point, California is one of only four States in the country that hasn't repaid its debt to the Federal Government. Now, taxpaying businesses are on the hook. In the case of fund insolvency for 2 consecutive

years—as is the case with California—Federal law mandates an automatic increase in payroll taxes that amounts to \$21 per employee. The tax continues to ratchet up by \$21 per employee each year the fund remains insolvent, with a maximum tax increase of \$434 per employee per year.

Now, one might ask, why did California not repay its debt to the Federal Government last year when it had a \$97.5 billion surplus?

There is no good answer to that question.

I have actually joined with Representative OBERNOLTE to call on California's Governor and legislature to repay the loan so the burden doesn't fall on employers, and I am calling on the United States Senate to consider this a case study in what we don't want for our country.

UNSPEAKABLE TRAGEDY IN NASHVILLE

The SPEAKER pro tempore. The Chair recognizes the gentleman from Tennessee (Mr. OGLES) for 5 minutes.

Mr. OGLES. Madam Speaker, I rise to remember those lost in an unspeakable tragedy that took place in Nashville at the Covenant School, which is in my district, and to acknowledge the power of prayer.

At approximately 10:13 a.m., evil ran rampant in the halls of the Christian academy and claimed the lives of three children and three staff members:

Hallie Scruggs, age 9;

Evelyn Dieckhaus, age 9;

William Kinney, age 9;

Mike Hill, the school custodian;

Dr. Katherine Koonce, the head of the school; and

Cynthia Peak, a substitute teacher.

These innocent lives were lost in a senseless act of violence.

As a father of three children, I cannot begin to imagine what the families of these six individuals are experiencing right now.

To my fellow Tennesseans in Nashville and the Covenant School, we are here for you. We are sending our deepest and most sincere condolences. My prayers are with each and every one of you.

I also want to recognize the bravery demonstrated by the Metropolitan Nashville Police Department and to all of the first responders who took exemplary steps during this tragic event.

To Officers Rex Engelbert and Michael Collazo, thank you. Your incredible bravery, valor, and courage in the face of danger saved lives.

Our community is broken. To those who are wondering and trying to make sense of the world, the Lord says: "So do not fear, for I am with you; do not be dismayed for I am your God. I will strengthen you and help you; I will uphold you with my righteous right hand." Isaiah 41:10.

Please join me for a moment of silence.

HONORING THE LIFE OF DALE DEES

The SPEAKER pro tempore. The Chair recognizes the gentleman from Florida (Mr. BEAN) for 5 minutes.

Mr. BEAN of Florida. Madam Speaker, today I rise to honor the life and memory of Commissioner Dale Dees from my hometown of Fernandina Beach, Florida.

Mr. Dees reminds me of an Alan Jackson country song, "Small Town Southern Man." He was always proud of what he had, and he was raised on the ways of gentle kindness.

Mr. Dees was a lifelong resident of Fernandina Beach. He came from humble beginnings, and yet he was a man of great influence. His sincerity made everyone feel special.

As a young man, he enlisted in the United States Army, serving Uncle Sam. Once he completed his tour of duty, he devoted himself to his family's dry cleaner business and revolutionized dry cleaning in Fernandina Beach by opening a drive-through option. Eventually, he would open the town's first gun shop. He was a self-made businessman, and he understood the value of hard work.

His pride and joy was his family. Sharon was his beloved wife of 62 years and was his soulmate. Together they were blessed with two children, Mike and Michelle; son-in-law Shawn; two grandchildren, and great-grandson Kamden.

Dale exemplified the meaning of leadership, and he saw public service as a duty. He served two terms as commissioner for Fernandina Beach and strived to make a difference in the lives of everyone in the city.

Fernandina Beach has lost a pillar of its community. Dale will be dearly missed, and our condolences are with his family. He truly was a small town Southern man.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until noon today.

Accordingly (at 11 o'clock and 22 minutes a.m.), the House stood in recess.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at noon.

PRAYER

The Chaplain, the Reverend Margaret Grun Kibben, offered the following prayer:

Eternal God, on this 50th anniversary of the Vietnam war, we pray Your divine blessing on those veterans who left hearth and home to respond to the